United Nations A/C.5/67/SR.20

General Assembly
Sixty-seventh session

Official Records

Distr.: General
31 January 2013

Original: English

Fifth Committee

Summary record of the 20th meeting
Held at Headquarters, New York, on Monday, 17 December 2012, at 3 p.m.

Chair: Mr. Berger. . . . . (Germany)
Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

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The meeting was called to order at 3.10 p.m.

Agenda item 130: Programme budget for the biennium 2012-2013 (*continued*)

First performance report on the programme budget for the biennium 2012-2013 (A/67/592 and A/67/639)

Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its resumed substantive session of 2012 (A/67/503/Add.1 and A/67/577/Add.1)

Programme budget implications of draft resolution A/C.3/67/L.45: Committee against Torture (A/67/637 and A/C.5/67/11)

1. **Ms. Casar** (Controller), introducing the first performance report on the programme budget for the biennium 2012-2013 (A/67/592), said that the report identified adjustments required at the end of the first year of the biennium owing to variations in the rates of inflation and exchange, standard costs and vacancy rates assumed in the calculation of the initial appropriations. It also took into account decisions of policymaking organs, and unforeseen and extraordinary expenses.

2. Taking into account both post-related actual expenditure experience in 2012 and updated projected rates for the biennium 2012-2013, in line with established practice, the revised estimates under expenditure sections amounted to $5,415.6 million, representing an increase of $263.3 million over the initial appropriation for the biennium 2012-2013, and would be included in the base for the proposed programme budget for the biennium 2014-2015. Adjustments owing to variations in exchange rates, inflation, standard costs and vacancy rates resulted in increases of $53.1 million, $143.8 million, $26.5 million and $34.8 million, respectively, compared to the initial appropriation, while unforeseen and extraordinary expenses and decisions of policymaking organs after approval of the initial appropriation accounted for an increase of $5.1 million.

3. In paragraph 27 of its resolution 66/246, the General Assembly had decided to defer consideration of post-related recosting for inflation and exchange rate projections to the first performance report on the budget for the biennium 2012-2013, in order to ensure appropriation of post-related costs in line with actual expenditure experience. Taking into account only post-related actual expenditure experience in 2012, with deferral of post-related recosting for updated projected rates, the revised estimates amounted to $5,273.1 million, an increase of $120.8 million over the initial appropriation.

4. Revised estimates for the income sections of the budget were provided in table 1 and section III of the report.

5. Introducing the Secretary-General's report on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its resumed substantive session of 2012 (A/67/503/Add.1), she said that the report outlined the requirements arising from the adoption of Economic and Social Council resolution 2012/36 entitled "Regional dimension of development in the Latin American and Caribbean region". The General Assembly was requested to approve the following modifications to the approved structure of section 21 of the programme budget for the biennium 2012-2013: reclassification of one D-1 post to the D-2 level to carry out duties as Director of the subregional office in Mexico, under subprogramme 12, Subregional activities in Mexico and Central America, which would result in a net increase of $13,400; reclassification of one P-4 post to the P-5 level to carry out duties as Political Affairs Officer in the Office of the Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago, under executive direction and management, which would result in a net increase of $26,200; and abolition of one P-2 post from the Economic Development Division in Santiago, under subprogramme 3, Macroeconomic policies and growth, which would result in savings of $105,800. Consequently, no additional resources with regard to the programme budget for the biennium 2012-2013 would be required.

6. Introducing the statement of programme budget implications of draft resolution A/C.3/67/L.45 on the Committee against Torture (A/C.5/67/11), she said that under the terms of the draft resolution, the General Assembly would decide to authorize the Committee against Torture to continue to meet for an additional week per session as a temporary measure, with effect from May 2013 until the end of November 2014, in order to address the backlog of reports of States parties and individual complaints awaiting consideration. Should the Assembly adopt the draft resolution, total

additional resources of $1,444,600 would arise for the biennium 2012-2013, including $294,600 under section 24, Human rights; $1,143,900 under section 2, General Assembly and Economic and Social Council affairs and conference management; and $6,100 under section 29E, Administration, Geneva, of the programme budget for the biennium 2012-2013. That would represent a charge against the contingency fund and, as such, would require additional appropriation for the biennium 2012-2013 to be approved by the Assembly. Further additional requirements of $1,444,600, under the same budget sections, would be considered in the context of the proposed programme budget for the biennium 2014-2015.

7. **Mr. Ruiz Massieu** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the first performance report on the programme budget for the biennium 2012-2013 (A/67/639), said that the Advisory Committee noted that the General Assembly's decision, in paragraph 27 of its resolution 66/246, to defer consideration of post-related recosting for inflation and exchange rate projections to the first performance report on the budget for the biennium 2012-2013, had been a departure from established practice. The Assembly had not approved any changes to the budget methodology, to established budgetary procedures and practices or to the financial regulations. In accordance with established practice, the revised requirements under the expenditure sections for the biennium 2012-2013 totalled $5,415.6 million; however, based only on the post-related actual expenditure experience for 2012, they amounted to $5,273.1 million. In view of paragraph 27 of General Assembly resolution 66/246, it was for the Assembly to determine the appropriate level of the revised estimates for the biennium 2012-2013. In its report (A/66/611) on the second performance report on the programme budget for the biennium 2010-2011, the Advisory Committee had made a number of observations concerning options proposed for protecting the United Nations against fluctuations in exchange rates and inflation. The General Assembly might wish to request the Secretary-General to provide a more detailed exploration of different options in that regard.

8. Introducing the Advisory Committee's report on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council (A/67/577/Add.1), he said that the Advisory Committee had no objection to the proposed reclassification of one P-4 post to the P-5 level, or to the proposed abolition of an existing P-2 post at ECLAC. With regard to the reclassification of the D-1 post to the D-2 level, it noted that the proposed coordination functions would entail structural changes to the Commission. It was therefore of the view that the Secretary-General should review his proposal and, if he deemed it necessary, resubmit it in the context of the proposed programme budget for the biennium 2014-2015.

9. Turning to the Advisory Committee's report on the programme budget implications of draft resolution A/C.3/67/L.45 (A/67/637), he said that the Advisory Committee recommended that the General Assembly should request the Secretary-General to make every effort to absorb the additional requirements, failing which the additional expenditures should be reflected in the second performance report.

10. **Ms. Power** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Iceland, Montenegro, Serbia and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, Georgia and Ukraine, said that the European Union wished to reiterate its deep concern at the United Nations budgetary process. The effect of an incremental approach to budgeting was once again evident in the first performance report on the programme budget for the biennium 2012-2013, which presented revised estimates of $5,415.6 million for the current biennium, reflecting an increase of 5.1 per cent over the budget approved in December 2011. Budget growth of that magnitude was unsustainable and a more strategic approach to resource management was urgently needed.

11. The practice of recosting, which was the main driver of budget growth and the chief obstacle to proper budgeting, must be eliminated in the interests of greater discipline, transparency and flexibility. The European Union's approval of the current budget had in fact been based on the understanding that any increase in costs vis-à-vis the initial appropriation would be absorbed. While it was an improvement to have revised estimates for 2012 based on actual expenditure, it was regrettable that the increase of $120.8 million identified had not been offset through

specific measures to use resources more effectively. The member States of the European Union again called for that cost to be absorbed.

12. Given that adjustments in staff-related costs were a major contributing factor in recosting, the European Union urged the Secretary-General to continue to strive for new levels of efficiency, economy and transparency in the work of the Organization and to identify scope for improvement. A full and comprehensive review of all allowances and benefits of the United Nations common system should be undertaken in order to establish a more realistic and simplified system that better met the needs of the organizations concerned, and the promulgation of the revised post adjustment multiplier, which had been due in August 2012 and deferred until January 2013, should continue to be deferred. When salaries and allowances had been frozen or cut in national civil services, it was hardly credible that they should continue to increase for United Nations staff members.

13. Exchange rate fluctuations must be better managed. In that regard, the Secretariat should take immediate concrete steps to better anticipate, plan for and minimize such costs. The situation of the contingency fund, where potential charges already exceeded the approved balance by over $6 million, was also a matter of great concern. As the Advisory Committee had stated, it was regrettable that the first performance report for the biennium 2012-2013 contained no details of efforts to offset extraordinary expenses through the pursuit of savings in accordance with the established procedures. The member States of the European Union looked forward to learning how the Secretary-General proposed to maintain a positive balance in the fund for the remainder of the current biennium, as required by General Assembly resolution 42/211.

14. The increased projections for the current biennial budget were unacceptable. They should be addressed by absorbing the recosting for inflation and exchange rates and vigorously pursuing further savings. Recalling the Secretary-General's pledge a year earlier to return to the General Assembly with greater cost savings, the member States of the European Union believed that more should be done in that regard. While the efforts being undertaken to seek further efficiencies with regard to the proposed programme budget for 2014-2015 were important, the same efforts were needed now. The European Union expected the Secretary-General to deliver significant savings in order to bring the final budget for 2012-2013 into line with the budget approved in December 2011.

15. **Mr. Mihoubi** (Algeria), speaking on behalf of the Group of 77 and China, said that it was the collective responsibility of Member States to demand and ensure full respect for the budgetary process as set out in General Assembly resolutions 41/213 and 42/211. Bearing in mind that the consideration of the first performance report was an integral part of that process, the Group was gravely concerned at some inconsistencies in the first performance report for the biennium 2012-2013. The Secretariat's approach in presenting post-related recosting for 2012 only and deferring the recosting for 2013 to the second performance report did not correspond with the agreement reached by the Committee at the sixty-sixth session of the General Assembly or with the provisions of resolution 66/246, in which the Assembly had decided to defer consideration of post-related recosting to the first performance report, and had reaffirmed that no changes to the budget methodology, to established budgetary procedures and practices or to the financial regulations could be implemented without the Assembly's prior review and approval. The Group also noted with serious concern that, in the first performance report on the programme budget for the biennium 2012-2013, the General Assembly was not requested to revise the appropriation for the biennium, but only to decide on the revised estimates. That constituted a serious change in the way the first performance report was presented and, once again, it was not in accordance with General Assembly resolution 66/246. Any attempt to change the budgetary process through the resolutions adopted on the performance report and the budget outline was, in effect, an attempt to change the rules by breaking them. The same objections to piecemeal budgeting also applied to attempts at piecemeal reform of the budgetary process. The Group would not support any action that could be detrimental to the current budgetary process.

16. The Group stood ready to approve an appropriation for post-related recosting for the biennium 2012-2013 in line with actual expenditure experience; not to do so would, in effect, retroactively cut the approved budget for the biennium, with detrimental effects on the Organization's ability to implement intergovernmental mandates. The Group

also noted that the programme budget implications resulting from the decisions of other Main Committees and other intergovernmental bodies would be revised to reflect the costing parameters approved by the Assembly, which would affect the level of the revised appropriation. It stressed the need to ensure that all new mandated activities, including the outcome of the United Nations Conference on Sustainable Development (Rio+20), were fully implemented by means of the revised estimates.

17. **Mr. Dettling** (Switzerland), speaking also on behalf of Liechtenstein, said that by deferring consideration of post-related recosting for inflation and exchange rate projections to the first performance report on the budget for the biennium 2012-2013, the General Assembly had deviated from established procedures for the first time since the adoption of its resolution 41/213. That placed the Secretariat and Member States in a difficult position. It was also regrettable that, as a result of the Assembly's decision, what could have been dealt with a year earlier must now be addressed in the current session. Switzerland and Liechtenstein were interested in exploring different options for protecting the Organization against exchange rate and inflation fluctuations and in finding a comprehensive and lasting solution to the issue of recosting in the future.

18. The two delegations shared the Advisory Committee's concern that the first performance report did not contain any reference to proposed charges to the contingency fund exceeding the available balance or any proposals on how to maintain a positive balance in the fund for the remainder of the current biennium. They would be seeking clarification on that issue in informal consultations.

19. Recalling that the General Assembly had confirmed earlier that year that the Secretary-General could, with the prior concurrence of the Advisory Committee, enter into commitments to meet unforeseen and extraordinary expenses in relation to time-sensitive mandates emanating from Human Rights Council resolutions and decisions, and stressing the importance attached by the two delegations to the existence of a well-functioning funding mechanism of that kind, he said it was surprising that the mechanism had been used only once in 2012 in relation to Human Rights Council mandates, to fund the Independent International Commission of Inquiry on the Syrian Arab Republic. Given the nature of those mandates, the two delegations would have expected the mechanism to be used more frequently and wondered whether to date it had functioned according to expectations.

20. It was regrettable that the current format of the first performance report did not allow for the provision of information on actual performance. The work of the Committee could be greatly improved if that report indicated what the Organization had actually spent under various budget sections and what results had been achieved.

21. **Mr. Yamazaki** (Japan), recalling that the General Assembly had adopted a budget for the current biennium that was about 5 per cent lower than the previous biennial budget, and that the Secretary-General had pledged to instruct all of his managers to continue finding new ways to make the most of the Organization's precious resources and to return to the General Assembly in one year with greater cost savings, said that his delegation would like to know how the Secretary-General's commitment had been put into practice in the last year, especially with regard to cost savings. It also requested him to seek further cost savings across the Secretariat in the second half of the current biennium.

22. With regard to the Secretary-General's request for the General Assembly to decide on a gross increase of $120.8 million in the revised estimates for the biennium deriving from post-related actual expenditure experience in 2012, his delegation emphasized the importance of the Secretary-General's efforts to meet additional requirements, including recosting, within the level of the approved budget through further efficiency and cost saving measures, and urged all managers to follow the Secretary-General's guidance in that regard.

23. **Mr. Torsella** (United States of America), recalling the General Assembly's adoption in December 2011 of a historic 2012-2013 budget that, for the first time since the 1990s and only the second time in 50 years, had been lower than the amount actually spent in the previous bie .ium, said that his delegation had praised that outcome since it did not believe that budgets should always and automatically go up, especially in hard financial times, in an Organization that lacked a rational budgeting process, and under a Secretary-General who had pledged to do more with less. Turning to the first performance report on the programme budget for the biennium 2012-2013, he expressed his delegation's appreciation for the

extraordinary efforts that had been made to manage special political missions within the resources allocated to do so, the impressive results achieved in responsibly managing vacancy rates, and the promising shift towards a more responsible way of budgeting, as seen in the move away from the premature assessment of Member States for costs that might occur in the future. All those developments were the product of good management.

24. Nonetheless, his delegation was concerned that halfway through the biennium 2012-2013, the United Nations had already overspent by $120.8 million and projected to overspend in 2013 by an additional $157 million, including for tribunals, under recosting. Bearing in mind that the Member States had also added $167 million in new and expanded mandates since the adoption of the 2012-2013 budget, it was therefore possible that the United Nations could have spent as much as $5,597 million by the end of the biennium, representing a disappointing 3.3 per cent increase over the final appropriation level for the biennium 2010-2011 rather than the heralded 5 per cent cut. However, that did not have to be the case. If he acted immediately, the Secretary-General had a full year to capture the benefit of new savings measures that could fully offset the increase in costs over the approved level. His delegation urged the Secretary-General to do so without delay.

25. While some of the potential additional costs presented in the first performance report derived from the new and expanded mandates imposed by Member States, most of them were the result of factors, including so-called "recosting", that were the direct responsibility of management. Even in the case of new mandates, the Secretary-General was required, pursuant to General Assembly resolutions 41/213 and 42/211, to do his utmost to absorb any new requirements from existing resources. His delegation's support for the 2012-2013 budget had been predicated on the Secretary-General's pledge to identify new cost savings, with the expectation that they would be used to offset future increases arising from recosting and other factors.

26. His delegation did not support increasing the approved budget level. A budget was not a retrospective tallying up of expenses; it was a decision about the resources available during a given period. With regard to the variations in budgetary assumptions for the biennium 2012-2013 set out in the first performance report, it should be borne in mind that the General Assembly, in its resolution 66/246, had not "recommended" or "expressed its hope for" a particular vacancy rate, but had "decided" one. Furthermore, while some might claim that exchange rate fluctuations were unpredictable and unavoidable, it should be borne in mind that corporations and governments managed currency risk on a daily basis without revising their budgets in midstream. His delegation had for years called for a review of external best practices in currency risk management; however, no real results had been achieved. While his delegation concurred with the Advisory Committee that the systemic problem of currency fluctuations must be addressed, the Secretary-General should simply take the necessary steps to do so; there was no time for more reports on the matter. With regard to inflation, the United Nations budget was not linked to some incontrovertible consumer price index. Moreover, there was a difference between true inflation and increases in compensation costs that occurred after, and outside of, the budget approval process. In short, the Organization's managers, like those in any government or business, should, when confronted with evidence of overspending in the first part of a budget period, underspend in the second part of the period so as to remain within the overall budget initially agreed, despite external challenges. If that was not possible, with a budget of $5.15 billion, the bigger problem was one of accountability, not accounting.

27. His delegation looked forward to the Secretary-General presenting the results of his pledge, made in December 2011, to return to the General Assembly one year later with proposals for greater cost savings. If the Secretary-General and his team believed themselves to be in any way constrained from taking the necessary steps to achieve cost savings that brought expenditure back within the approved budget level, they should present the General Assembly with a clear and urgent request for the specific tools they believed they lacked. His Government and other major contributors had relied, since 1986, on assurances that legitimate budgetary decisions in the Committee proceeded only on the basis of consensus. With that in mind, it went without saying that no budget increases could be approved in the face of objections by major contributors.

28. **Ms. Goicochea** (Cuba) said that the presentation of the report currently before the Committee

(A/67/592) constituted a worrying departure from established budgetary procedures, bearing in mind that the first performance report should reflect resource requirements for both years of the biennium. Her delegation was also concerned at the Advisory Committee's recommendations, in particular, the comments made in paragraph 16 of its report (A/67/639), which suggested that it had abdicated its responsibility to provide specific recommendations concerning the budgetary process.

29. While her delegation, like all other Member States, was in favour of greater efficiency and effectiveness, it was concerned by calls for the Secretariat to absorb additional expenses arising from recosting, particularly bearing in mind that the Organization had been required to withdraw funds from the Working Capital Fund to continue operations, the General Fund had been depleted and the decision to defer consideration of post-related recosting had been one of the reasons for the low cash position. That situation was not consistent with requests for the continued absorption of costs. While some delegations had stated that further cost savings must be achieved through additional efficiency measures, her delegation maintained that any further cuts by the Secretariat would need to be approved by the General Assembly, by means of a process like the one that, following the adoption of General Assembly resolution 50/214, had led to the subsequent adoption of resolutions 50/230 and 50/231. Efficient budget execution was of interest to all Member States, regardless of their contribution level, which was governed by the principles of equality and capacity to pay. Countries such as Cuba made huge efforts to meet their financial obligations in full, on time and without conditions.

30. With regard to the revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council, while her delegation noted the efforts of ECLAC not to exceed the approved budget level, the proposal to abolish one existing P-2 post was regrettable since, when the budget resolution for the biennium 2012-2013 had been adopted, it had been decided that there would be no cuts at the regional commissions under regional cooperation for development. Her delegation did not agree with the Advisory Committee's recommendation that the proposal to reclassify a D-1 post to the D-2 level should be reviewed and, if necessary, resubmitted in the context of the proposed programme budget for the biennium 2014-2015, since both that proposal and the proposed reclassification of a post from the P-4 to the P-5 level were clearly justified. Furthermore, her delegation could not support the Advisory Committee's endorsement of the abolition of the P-2 post, which had been intended to offset the additional costs of the two proposed reclassifications. In view of the proposed organizational structure of ECLAC for 2012-2013 contained in annex II to the Advisory Committee's report (A/67/577/Add.1) and the proposed functions of the requested D-2 post, she wondered whether one of the D-1 posts in Santiago could be reclassified to the D-2 level instead of the post at the subregional office in Mexico. Moreover, her delegation would be grateful for further information during informal consultations on the functions of the P-2 post proposed for abolition.

Agenda item 142: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (A/67/594 and A/67/646)

Agenda item 143: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (A/67/595 and A/67/646)

Agenda item 144: Financing of the International Residual Mechanism for Criminal Tribunals (A/67/596 and A/67/646)

31. **Ms. Casar** (Controller) introduced the first performance report on the budget of the International Criminal Tribunal for Rwanda for the biennium 2012-2013 (A/67/594); the first performance report on the budget of the International Tribunal for the Former Yugoslavia for the biennium 2012-2013 (A/67/595); and the first performance report on the budget of the International Residual Mechanism for Criminal Tribunals for the biennium 2012-2013 (A/67/596). The reports identified adjustments required at the end of the first year of the biennium owing to variations in the rates of inflation and exchange, standard costs and vacancy rates assumed in the calculation of the initial appropriations.

32. Taking into account both post-related actual expenditure experience in 2012 and updated projected rates for the biennium 2012-2013, in line with established practice, the revised estimates for the International Criminal Tribunal for Rwanda amounted to $188,279,300, representing an increase of $15.7 million over the initial appropriation for 2012-2013; the revised estimates for the International Tribunal for the Former Yugoslavia amounted to $290,133,200, representing an increase of $9.1 million; and the revised estimates for the International Residual Mechanism amounted to $54,756,700, representing an increase of $5.0 million.

33. Bearing in mind the provisions of paragraph 27 of General Assembly resolution 66/246, and the fact that post-related recosting had been similarly deferred for the Tribunals and the International Residual Mechanism pursuant to the resolutions on their respective initial appropriations, the revised levels of resources for the biennium 2012-2013, taking into account only post-related actual expenditure experience in 2012, with the deferral of post-related recosting for updated projected rates, amounted to $182,163,600 for the International Criminal Tribunal for Rwanda; to $283,067,700 for International Tribunal for the Former Yugoslavia; and to $53,676,500 for the International Residual Mechanism.

34. **Mr. Ruiz Massieu** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's related report (A/67/646), said that, on the issue of recosting, the Advisory Committee had been informed that it had been the Secretariat's understanding that any decisions made regarding the deferral of consideration of post-related recosting for the regular budget were to apply also to the Tribunals and the International Residual Mechanism. For that reason, the recommendations of the Fifth Committee set out in the annexes to General Assembly resolutions 66/238, 66/239 and 66/240 A included reductions to the estimated appropriations for the Tribunals and the International Residual Mechanism for the biennium 2012-2013, deriving from the decision to defer consideration of post-related recosting for inflation and exchange rates. However, since the Tribunals and the International Residual Mechanism were not funded from the regular budget, and in the absence of an explicit mandate from the General Assembly, the Advisory Committee questioned the Secretariat's assumption that the decision to defer consideration of post-related recosting for inflation and exchange rates for the regular budget should also apply to the budgets of the Tribunals and the International Residual Mechanism. The General Assembly might wish to clarify its position on that matter.

35. The Advisory Committee's report contained comments and recommendations on procurement practices at the three entities, the phasing out of positions funded under general temporary assistance at the two Tribunals and recruitment at the International Residual Mechanism. The Advisory Committee noted the revised estimates for the three entities based on established budgetary methodology, procedures and practices, as well as those based only on the post-related actual expenditure experience for 2012. As it saw scope for acceleration of the Tribunals' completion strategies and expected that the Tribunals and the International Residual Mechanism would pursue further efficiencies, including through the reprioritization of their activities, during the remainder of the biennium, it recommended that the General Assembly should maintain the level of the initial appropriation for the biennium 2012-2013 for all three entities.

36. **Mr. Mihoubi** (Algeria), speaking on behalf of the Group of 77 and China, said that the Group noted that the Board of Auditors had issued unmodified audit opinions on the financial statements of both the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia, but had made recommendations for improvements in a number of areas. It also noted that, in connection with the implementation of those recommendations, the International Tribunal for the Former Yugoslavia would be submitting to the General Assembly an updated comprehensive plan for its closure, with a target date of the third quarter of 2013. The Group concurred with the Advisory Committee and the Board of Auditors regarding the need for both Tribunals to expedite their preparations for the implementation of the International Public Sector Accounting Standards (IPSAS). It looked forward to receiving more information during informal consultations on a number of issues related to the findings of the Board of Auditors.

37. Recalling that the General Assembly, in resolution 66/240 B, had noted with concern the delay in the construction of the Arusha branch of the

International Residual Mechanism and had requested the Secretary-General to make every effort to reduce the time needed to complete the construction, while guaranteeing the effective oversight of the project, the Group looked forward to considering the report that the Assembly, in the same resolution, had requested the Secretary-General to submit at the first part of its resumed sixty-seventh session, providing more detailed information on the key decision points regarding the conceptual design, project plan and overall cost estimate of the project, as well as information on his efforts to reduce the duration of the construction project.

38. **Mr. Milanović** (Serbia), recalling that the Security Council, in resolution 1966 (2010), had requested the International Tribunal for the Former Yugoslavia to complete all its remaining work no later than 31 December 2014 and ensure a smooth transition to the International Residual Mechanism, which would commence functioning on 1 July 2013, said that his delegation shared the concern of the Board of Auditors that, given the average trial time for cases between 2008 and 2011 of four and a half years, two pretrial cases that had commenced on 3 June 2011 and 25 July 2011, respectively, might not be finished before 31 December 2014, which could disrupt the transition to the International Residual Mechanism. It agreed that the Tribunal should have a consolidated action plan to manage the completion of its work before the closure of the Tribunal and shared the Board's concern that no such plan was in place.

39. His delegation shared the Advisory Committee's concern that total staffing levels at the International Tribunal for the Former Yugoslavia had not decreased significantly since the biennium 2006-2007. It agreed with the Advisory Committee that greater efforts should be made to streamline the staffing structure and that the Secretary-General should explore options for accelerating the abolition of positions funded under general temporary assistance. Furthermore, the Tribunal should take all possible measures to complete its work as expeditiously as possible with the aim of facilitating its closure. The next budget proposal should be presented for 2014 only, since a budget proposal for 2014-2015 would contradict the provisions of Security Council resolution 1966 (2010).

40. **Mr. Chumakov** (Russian Federation) said that his delegation would study closely the administrative aspects of the effectiveness of the work of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia. In that connection, it noted the recommendations of the Board of Auditors regarding the need for the Tribunals to expedite the preparation of plans for the completion of their work in view of the approaching deadlines for the conclusion of their respective mandates. His delegation shared the Advisory Committee's concerns regarding the continuing excessive use of positions funded under general temporary assistance and the limited extent to which such positions had been phased out. It was also convinced that the International Tribunal for the Former Yugoslavia should be subject to the same kind of independent assessment as had been recommended by the Advisory Committee in respect of the Organization's internal system of administration of justice.

41. His delegation was surprised that the Secretary-General intended to request the approval of resource requirements for the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia for the biennium 2014-2015, in contradiction with Security Council resolution 1966 (2010). It would be advisable to discuss preparing budgets for the Tribunals on an annual rather than a biennial basis.

The meeting rose at 4.25 p.m.